



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

May 2, 2011

To: Mayor Michael D. Antonovich  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe

From: William T Fujioka  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## STATUS UPDATE ON CONTRACTS AND INVESTMENTS WITH ARIZONA-BASED COMPANIES AND SENATE BILL 1070

On June 1, 2010, your Board adopted a motion, as recommended by Supervisors Molina and Yaroslavsky, to oppose Arizona's Senate Bill (SB) 1070 related to the enforcement of federal immigration laws. As part of your Board's motion, our Office issued a memo to all department heads stating effective immediately, departments must suspend any County business travel to the State of Arizona unless authorized by this Office under the terms of the Board motion. The memo further instructed County departments to refrain from entering into new or amended contracts to purchase goods or services from any company based or headquartered in Arizona. Exceptions to this restriction may include situations that are legally impermissible or impractical, result in significant additional cost to the County, or are pre-approved by this Office. Other portions of the motion dealt with legislative, legal, and investment strategies to oppose Arizona SB 1070.

In the Board motion, there was a condition that the directive shall be lifted upon the suspension or repeal of SB 1070.

### Background of SB 1070

SB 1070 was originally scheduled to go into effect on July 29, 2010, but before that date, a number of lawsuits were filed seeking a preliminary injunction preventing the law from going into effect. These cases were consolidated and heard before a single federal judge, Susan Bolton, of the U.S. District Court (Court) for the District of Arizona. A majority of the cases were dismissed by Judge Bolton, but in one of the suits filed by

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the Attorney General of the United States on behalf of the federal government, a preliminary injunction against implementation of SB 1070 was granted. This case was treated as a priority by the Court, with the deferral of the remaining cases pending appellate actions.

On July 29, 2010, the State of Arizona appealed the preliminary injunction decision to the Ninth Circuit Court of Appeals and on April 11, 2011, the Ninth Circuit upheld Judge Bolton's injunction against the key provisions of SB 1070. The federal government argued to the Ninth Circuit that under the Supremacy Clause of the United States Constitution, it alone had the right to set immigration policy, and that by trying to pass its own immigration policy in the form of SB 1070, Arizona was overstepping its boundaries. A majority of a three-judge panel of the Ninth Circuit agreed and upheld the lower court's injunction.

### **Current Status**

In light of the foregoing status of the above-referenced litigation and the specific directions set forth in your Board's motion, the directive shall be suspended and will remain so until either: (a) the injunction is overturned by a full eleven member panel of the Ninth Circuit or the United States Supreme Court, at which point the County will resume its original position and institute a ban on Arizona-based or headquartered companies, or (b) the injunction is made permanent by the Supreme Court, in effect repealing SB 1070 and permanently lifting the ban directed under your Board's motion.

Our Office and County Counsel will continue to monitor this litigation and will inform your Board of any developments as they occur. If you have any questions, please have your staff contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186 or via email at [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov), or Manuel Valenzuela, Assistant County Counsel at (213) 974-1835 or via email at [mvalenzuela@counsel.lacounty.gov](mailto:mvalenzuela@counsel.lacounty.gov).

WTF:EFS:  
GS:LG:cg

c: All Department Heads  
Chief Deputies  
Administrative Deputies